

ELLIOTT & ELLIOTT, P.A.
ATTORNEYS AT LAW
1508 Lady Street
COLUMBIA, SOUTH CAROLINA 29201
sellott@elliottlaw.us

SCOTT ELLIOTT

November 22, 2013

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NOV 22 2013

PSC SC
MAIL / DMS

TELEPHONE (803) 771-0555
FACSIMILE (803) 771-8010

VIA HAND DELIVERY

Jocelyn Boyd, Esquire
Chief Clerk and Administrator
South Carolina Public Service Commission
101 Executive Center Drive
Columbia, SC 29210

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SC PUBLIC SERVICE
COMMISSION

RE: Application of Utility Services of South Carolina, Inc. for Adjustment of Rates and Charges and Modification of Certain Terms and Conditions for the Provision of Water and Sewer Service
Docket No. 2013-201-WS

Dear Ms. Boyd:

Enclosed please find the original and seven (7) copies of the verified Testimony of Bob Gilroy, which I do hereby submit for filing in reference to the above-captioned matter. Also enclosed are Exhibit BG-1 (water samples) and Exhibit BG-5 (Confidential - Bill Frequency Report) to the Testimony of Bob Gilroy, which I do hereby also submit for filing in this matter and I further request that the information contained in Exhibit BG-5 (Bill Frequency Report), which contains customer billing records and are confidential, be treated as confidential and filed under seal. By copy of this letter, I am serving the Testimony of Bob Gilroy on all other counsel of record in this matter via electronic mailing and advising them of the confidentiality of Exhibit BG-5 and requesting that they treat the information contained in Exhibit BG-5 in confidence per the Confidentiality Agreement filed in this matter.

Please return a clocked copy of the enclosed documents to my office via my courier.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Sincerely,

Elliott & Elliott, P.A.


Scott Elliott

SE/cje

Enclosures

cc & enc.:

Jeffrey M. Nelson, Esquire (electronically)
Florence P. Belser, Esquire (electronically)

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SC PUBLIC SERVICE
COMMISSION

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BEFORE

THE PUBLIC SERVICE COMMISSION

OF SOUTH CAROLINA

DOCKET NO. 2013-201-WS

IN RE: Application of Utilities Services of South)
Carolina, Inc. for adjustment of rates and)
charges and modifications to certain terms and)
conditions for the provision of water and sewer)
service)

TESTIMONY
OF
BOB GILROY

Q. PLEASE STATE YOUR FULL NAME AND BUSINESS ADDRESS.

A. My name is Bob Gilroy. My business address is 151 Old Wire Rd, West Columbia, South Carolina .29172.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am a Regional Manager for Utilities Services of South Carolina, Inc. ("USSC") and Utilities, Inc. My duties include the supervision of USSC's operation to include the maintenance, repair and replacement of water and sewer lines and other water and wastewater facilities. I work with state regulatory agencies such as the Office of Regulatory Staff and the South Carolina Department of Health and Environmental Control regarding compliance procedures and requirements. I also work with developers and builders regarding new and existing development and work to ensure that individual customer concerns regarding their water and sewer service are handled properly and satisfactorily resolved.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND WORK EXPERIENCE.

A. I am a 1971 High School graduate. As a part of my training and experience in the water

1 and wastewater industry, I have attended various industry technical sessions, workshops, and
2 seminars. I served for two and one half years as an operator for the East Richland County Public
3 Service District, a wastewater treatment facility located in Columbia, S.C. I have been employed
4 by Utilities, Inc. for the past 24 years since August 1989. During that time, I worked as a water
5 and wastewater operator for Carolina Water primarily within the Lexington County areas and
6 served as field safety coordinator responsible for acquiring safety equipment and providing safety
7 training to Carolina Water employees as required by company policy and by the Occupational
8 Safety and Health Administration. In 2002, I acquired full time responsibility as the Regional
9 Field Safety Coordinator responsible for the safety program affecting South Carolina and other
10 mid-Atlantic states. In 2003, I became Field Safety Coordinator for Utilities, Inc. and assisted
11 management with providing, promoting and enforcing a compliant safety program while instilling
12 a positive safety culture within all areas of the company. I held this position until 2008 at which
13 time I assumed my present position of Regional Manager for Carolina Water here in South
14 Carolina.

15 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

16 **A.** The purpose of my testimony is to answer specific operations concerns raised by the public
17 witnesses in the most recent public hearing held in Columbia, South Carolina.

18 **Q. MR. GILROY, WERE YOU PRESENT AT THE PUBLIC HEARING IN THIS**
19 **DOCKET NOVEMBER 4, 2013, IN THE HEARING ROOM OF THE SOUTH**
20 **CAROLINA PUBLIC SERVICE COMMISSION?**

21 **A.** Yes.

22 **Q. CAN YOU PROVIDE THE COMMISSION WITH AN EXPLANATION IN**
23 **RESPONSE TO THE CONCERNS RAISED BY THE PUBLIC WITNESSES THAT**
24 **EVENING?**

1 **A.** Yes; I will respond to each customer's testimony individually.

2 1. Jocelynn Burrell, 11 Kingstree Court, Columbia 29203. I understand that Ms.
3 Burrell does not live in the Washington Heights subdivision served by USSC, but spends time with
4 her mother who is a USSC customer in the Washington Heights subdivision in Columbia. USSC
5 purchased the system serving Washington Heights eleven years ago from U.S. Utilities. USSC
6 rebuilt the existing well houses and purchased property adjacent to the subdivision on which it
7 drilled a third well with a treatment facility to serve the subdivision.

8 Ms. Burrell raised questions about the water quality provided by the wells in the
9 Washington Heights neighborhood. She presented the Commission with a sample of water that she
10 had taken from a tap in her mother's home. Ms. Burrell complained that the water was cloudy and
11 somewhat discolored. The discoloration in the water complained of by Ms. Burrell does not appear
12 to be from USSC's system. On November 6, 2013, I took six water samples from our system
13 which I have attached hereto as Exhibit BG-1. The water samples were pulled from all three
14 pump stations and from three locations throughout the system. In contrast to the sample
15 submitted by Ms. Burrell, the water submitted in the samples I drew is very clear. I am confident
16 that the turbidity of the water in Ms. Burrell's mother's home is not caused by USSC's system.
17 In June of this year, Sonya Johnson, the DHEC Environmental Quality Control Drinking Water
18 Manager, met me at Ms. Burrell's mother's residence in Washington Heights to inspect her water.
19 Ms. Johnson had flushed the elder Burrell's water heater of dirty water and explained to her that
20 the water heater needed to be flushed on a regular basis. A common concern that we find in the
21 neighborhoods served by our water systems is that rust builds up in water heaters and often results
22 in discolored water coming from the tap. We routinely recommend that our customers flush their
23 water heaters on a regular basis and at least once annually.

24 Ms. Burrell also testified of water testing results showing radium and total coliform

1 bacteria in Washington Heights. In 2012, the Consumer Confidence Report (CCR) for USSC,
2 reported a detect for radium at 1.2 picocuries. In 2011 there was a detect of radium of 1.6
3 picocuries. The MCL or maximum contaminant level for radium is 5 picocuries. The reported
4 detects involved very low level of radium which required no action by the utility other than
5 reporting within the CCR. Copies of the CCRs for 2011 and 2012 are attached as Exhibit BG-2.
6 DHEC is responsible for all sampling and testing of radioactivity regarding drinking water. If
7 increased sampling is warranted due to known results, DHEC would make that determination and
8 conduct the sampling. Also, we do not have a record of any total coliform bacteria being present
9 in water samples for recent years. We cannot answer for the previous owner of the system.

10 Ms. Burrell expressed concern about the fact that there were no working fire hydrants
11 serving the neighborhood. Ms. Burrell's complaints regarding the adequacy of fire hydrants in
12 Washington Heights are not properly directed at USSC. The City of Columbia maintains the two
13 fire hydrants at the entrance of the Washington Heights subdivision along Hardscrabble Rd,
14 There are three other hydrants located in Washington Heights which belong to USSC but they are
15 strictly used for the purpose of flushing the system. They are not meant to be used for fire service,
16 and are not adequate for that purpose.

17 Last, Ms. Burrell stated that the subdivision's residents did not get adequate notice of
18 USSC's system flushing. The mains in Washington Heights are flushed on a regular basis (the
19 last time they were flushed was in April for the spring flushing). When we flush the system, signs
20 with flushing notices are put out at each of the two entrances of the subdivision at least a day prior
21 to the flushing, and customers are sent a telephone message the morning of the flushing. The
22 telephone flushing message informs our customers to refrain from using the water during the
23 flushing process as it may be discolored during the event. A copy of the flushing advisory is
24 attached as Exhibit BG-3. Boil water advisories (not to be confused with a flushing notice) are

1 not issued during the flushing of the system nor are they required during routine flushing. Boil
2 water advisories are issued as a precautionary measure only upon water main breaks where the
3 water pressure is lost during the repairs. A copy of the boil water advisory is attached as Exhibit
4 BG-4.

5 2. Pearl Burrell, 528 Briercliff Drive, Columbia, S.C 29203. Ms. Pearl Burrell,
6 mother of Jocelyn Burrell, resides in the Washington Heights subdivision. Ms. Burrell expressed
7 her concerns about discolored water and the rate increase. As I testified, if Ms. Burrell flushes her
8 water heater regularly, the occurrence of discolored water should be minimized (there could be
9 other sources of discoloration in Ms. Burrell's home, such as corroded pipes).

10 3. Rose Clay, 520 Briercliff Drive, Columbia, S.C. Ms. Clay testified of concerns
11 of inadequate service and discolored water. My testimony regarding the water quality at Ms.
12 Burrell's home, is applicable to Ms. Clay as well. I would add that calls reporting discolored
13 water from our customers in this subdivision are relatively rare; we have only had two such calls in
14 2013. Also, we have no record of Ms. Clay ever contacting customer service for this or any other
15 reason.

16 4. Alberta Coit, 500 Briercliff Drive, Columbia, S.C. Ms. Coit testified of her
17 concern about the water quality. She testified that approximately 15 or 20 years ago, before
18 USSC owned the system, her water would turn deep blue and would leave stains. She chooses not
19 to drink the water. I am unable to testify as to how U.S. Utilities operated the system prior to
20 USSC's purchase of the system. However, green or blue color in water is generally a result of
21 copper pipes. Many of the homes in Washington Heights are older, and may have copper lines.
22 We adjust the water's pH to neutral so that it won't leach out copper from the customer's plumbing
23 to avoid discoloration.

24 Our records do reflect that Ms. Coit contacted customer service in 2012 to complain of

1 brown water. However, the water was clear when the operator arrived at Ms. Coit's home and the
2 chlorine was tested at 0.9 being safe for drinking. Ms. Coit was informed of the results.

3 5. Robert Studdard, 225 Hamilton Drive, Columbia, S.C. Mr. Studdard testified as to
4 his concerns of the quality of water and low pressure in USSC's fire hydrants. We are always
5 sensitive to water quality concerns, and as I have testified, the water samples which I took after the
6 hearing were clear. Also, the City of Columbia is aware that the three hydrants located within the
7 Washington Heights subdivision are for 'flushing' purposes only due to storage capacity of the
8 well system.

9 6. Ms. Lisa Lochbaum, 221 Dutchman Shores Circle, Chapin, S.C. Ms. Lochbaum
10 expressed dissatisfaction with customer service. Ms. Lochbaum testified that she had brought a
11 complaint against USSC with the ORS. She also testified that the utilities' tariff provisions with
12 respect to its pass-through mechanism should be eliminated.

13 In 2008, Ms Lochbaum filed a complaint against USSC which was resolved by the
14 Commission in its Order No. 2010-111, and the Commission most recently addressed the concerns
15 she raised in Order No. 2013-77 which approved the current pass-through mechanism. In regard
16 to her claim that bills are three months behind, Ms. Lochbaum is mistaken. Our billing
17 department's records show that the average number of days from the end of the billing service until
18 the bill issuance is 33 days. A chart which reflects Ms. Lochbaum's billing frequency attached
19 hereto as Exhibit BG-5. In regard to high bills, Ms. Lochbaum's billing history indicates that she
20 has received a higher bill when she has experienced high consumption, which is to be expected.
21 Our records reflect that the Dutchman Shores subdivision where Ms. Lochbaum resides had less
22 than 10% unaccounted for water and that our bills were within the tariff limits.

23 7. Jim Snipes, 4959 Country Oaks Drive, Rock Hill, S.C. Mr. Snipes testified that he
24 lived in a neighborhood of approximately 150 homes. He testified of his concerns about

1 excessive Aqua Mag” in the drinking water. Aqua Mag is a blended phosphate used for corrosion
2 control and sequestering iron and manganese. The use of blended phosphates help prevent lead
3 and copper from being leached from a home’s plumbing into the water. We did add Aqua Mag
4 to water in the past, but now uses a similar product from another vendor. In fact, our records
5 show that Mr. Snipes complained of the Aqua Mag in 2006 which he felt left an odor and
6 unpleasant taste in the water. However, a company operator was dispatched to the property and
7 could not detect any odor. The operator did provide Mr. Snipes with a complete list of chemicals
8 in the water. Mr. Snipes subsequently reported muddy water in his pipes in 2011. His line was
9 flushed and the water cleared up.

10 Mr. Snipes also testified that an employee of the City of Rock Hill told him that USSC
11 should not mix the City’s water with its own well water. Such as statement would have been
12 incorrect. USSC provides water to the Country Oaks subdivision where Mr. Snipes lives with
13 two wells and an interconnection to the City of Rock Hill’s system. The water from Rock Hill is
14 needed to meet DHEC capacity requirements. The water from this interconnect with the City of
15 Rock Hill and the wells use the same distribution mains to get to the customers. Depending on
16 which well is running or if the booster pumps on the interconnect are running and where the
17 individual customer lives they may get all Rock Hill water, a mixture, or all well water.

18 8. Valerie Cote, 228 Dutchman Shores Circle, Chapin, S.C. Ms. Cote testified as to
19 her concerns for the quality of the water which she described as having a brown or yellow color.

20 Our records show that we received a complaint from Ms. Cote’s household of discolored
21 water on September 6, 2006, but our technician found clear water when he visited the house.
22 USSC purchases water from the City of Columbia to serve the Dutchman Shores subdivision, and
23 flushes its mains annually. USSC does not have any reason to believe that either the City of
24 Columbia’s water, or USSC’s service lines, are causing turbidity in the water.

1 Ms. Cote expressed concern that there have been no capital improvements or maintenance
2 in her neighborhood. As for capital improvements in Dutchman Shores, USSC installed a pressure
3 control valve at the head of the system to Dutchman Shores to control the water pressure provided
4 by the City at a cost of \$50,000 in 2011. The pressure control valve has eliminated spikes in water
5 pressure and water main breaks.

6 9. Cynthia Brown, 504 Briercliff Drive, Columbia, S.C. This witness testified that
7 she had initially moved into the Washington Heights subdivision in 1989. She testified that at
8 that time the water was discolored and turned her fixtures brown; the water had an unpleasant odor
9 and taste and as a consequence she buys bottled water. It would appear that certain of her
10 complaints predate USSC's purchase of the system.

11 Our records since USSC acquired the system reflect that we received one call from Ms.
12 Brown concerning discolored water in 2012. Our service operator found her water to be clear
13 with the proper pH level upon his arrival at her home.

14 Ms. Brown testified that, in her view, customer service representatives had been unpleasant
15 to her and that her neighborhood receives boil water advisory notifications only after the fact by
16 signage in her neighborhood. Our records do reflect that Ms. Brown has contacted customer
17 service on a number of occasions concerning billing and payment issues. I regret that Ms. Brown
18 felt that our customer service representatives (CSRs) were not courteous. I am aware that our
19 CSRs are trained on how to deal with customers and their calls are periodically evaluated.

20 Ms. Brown testified that boil water advisories have not been adequately noticed. In recent
21 years, two boil water advisories have been issued in Washington Heights, on June 19, 2010 and on
22 May 11, 2011, both due to a water main repair. Boil water advisories are noticed by signage at the
23 entrance to the neighborhood as well as by automated telephone messaging.

24 10. Luis Cantu 5586 Oakcrest Road, Sumter, S.C. Mr. Cantu testified as to his

1 concern that his bills are too high. Mr. Cantu compared his bills to those of the City of Sumter, and
2 other out of state providers. While rate increases are never welcome, rate comparisons with other
3 providers, especially governmental entities, are not useful in the rate making context. Those
4 providers have different ways of allocating costs and often benefit from subsidies.

5 **Q. MUCH OF THE PUBLIC TESTIMONY WAS GIVEN BY RESIDENTS OF THE**
6 **WASHINGTON HEIGHTS SUBDIVISION, DOES USSC PLAN TO TAKE ANY**
7 **ADDITIONAL STEPS TO RESPOND TO THEIR CONCERNS?**

8 A. Yes, in the near future we are going to send our customers in Washington Heights a
9 newsletter addressing some of the issues raised at the public hearings (and covered in this
10 testimony), and providing them with other information, such as the telephone numbers and email
11 addresses of company representatives.

12 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

13 A. Yes.

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2013-201-WS

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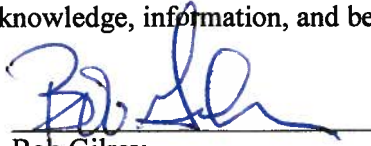
NOV 22 2013

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IN RE: Application of Utilities Services of South Carolina, Inc. for adjustment of rates and charges and modifications to certain terms and conditions for the provision of water and sewer service)
) VERIFICATION
) OF
) BOB GILROY
)

Being duly deposed and sworn, I, Bob Gilroy, state that I am Regional Manager of Utilities, Inc. parent company of Utilities Services of South Carolina, Inc., the Applicant, in the above referenced case and I am authorized to make this Verification on behalf of the Applicant:

The testimony and exhibits filed on November 21, 2013, in connection with the foregoing Application was prepared under my direction and supervision; and that the statements in the foregoing document are true and correct to the best of my knowledge, information, and belief.


Bob Gilroy

Sworn and subscribed before me this 21st day of August, 2013


Notary Public

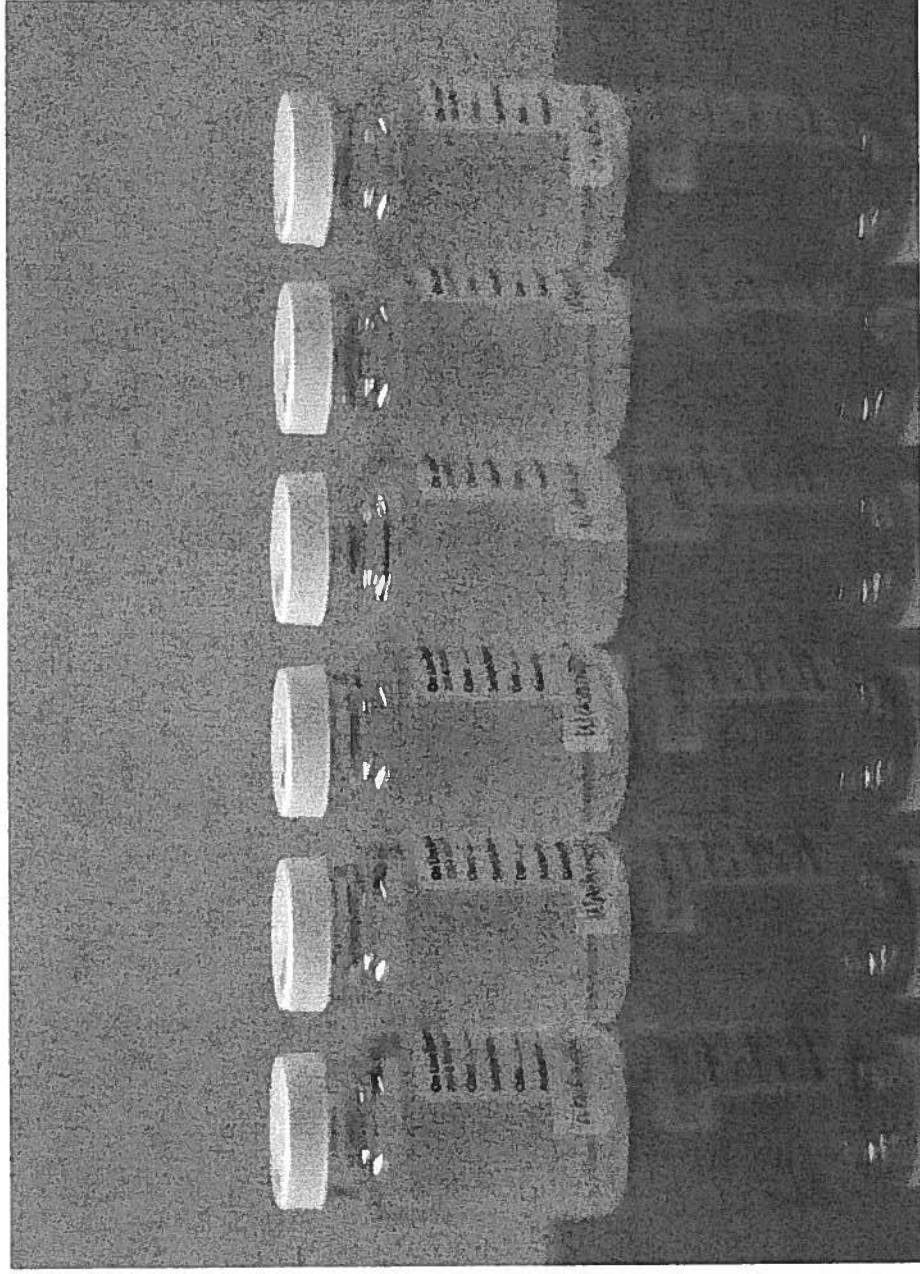
My Commission expires: 2/14/16

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EXHIBIT BG-1
Water Samples
(Originals Delivered to PSC)



Water Samples - Washington Heights - November 6, 2013

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EXHIBIT BG-2
Consumer Confidence Reports

Utilities Services of South Carolina, Inc.
Washington Heights
System ID# 4050013

Your Annual Water Report

We are pleased to provide you with the 2012 Water Quality Report. This report is designed to inform you of the quality of water we delivered to you over the past year. Our goal is to provide you a safe and dependable supply of drinking water.

Our water source is the groundwater from wells located in Richland County. The South Carolina Department of Health & Environmental Control (DHEC) has completed the Source Water Assessment Plan (SWAP) for Washington Heights. The relative susceptibility rating of each source was ranked as having high susceptibility. The rating is determined by identifying potential pollution sources near each well. It is important to understand that a susceptibility rate of "high" does not imply poor water quality, only the systems' potential to become contaminated by potential pollution sources in the assessment area. Our Source Water Assessment Plan is available for your review at <http://www.scdhec.gov/environment/water/srcwtrreports.htm>. If you do not have Internet access, please contact Mr. Mac Mitchell with Utilities Services of South Carolina, Inc. at (800) 272-1919 to make arrangements to review this document.



The Process of Delivering Your Water

Your water is disinfected through a chlorination process to ensure the water is microbiologically safe (free from bacteria, viruses, and protozoan parasites). It is important to note that all drinking water contains some naturally occurring contaminants that are not harmful to our health. In fact, some minerals provide low levels of nutritional value and actually improve the taste of drinking water. After the drinking water has been thoroughly treated at the water treatment facility, we deliver it to homes and businesses through an underground network of pipes.

Individual homes use service lines to tap into larger, underground water main lines. The water is then passed through a water meter—either inside or outside the home—so that the amount of water the household uses can be accurately calculated flow throughout your home.

Message From Lisa Sparrow, President and CEO

Dear USSC Customers,

For the second year in a row we have made some exciting changes in the format and delivery of the Annual Water Report. The Environmental Protection Agency ("EPA") has changed its rules and now allows electronic viewing of your report. In addition to being an easy way to get the information to you, it is a more environmentally responsible alternative.

I am proud to share this report which is based on water quality testing through December 2012. You will find that we supply water that meets or exceeds all federal and state water quality regulations.

Because it has always been of utmost importance to us, we remain committed to providing safe, reliable and cost effective service to our customers. And, we will continue to do this with the underlying commitment to act with integrity, protect the environment and enhance the communities we serve.

We are proud of our team of water quality experts who make it their job to see that our customers are our top priority every day. This means that you can be certain that we provide you with the highest quality drinking water and service now and in the years to come.

Best regards,



Sign up for e-billing now at www.uiwater.com

The Safe Drinking Water Act was passed in 1974 due to congressional concerns about organic chemical contaminants in drinking water and the inefficient manner by which states supervised and monitored drinking water supplies. Congress' aim was to assure that all citizens served by public water systems would be provided high quality water. As a result, the EPA set enforceable standards for health-related drinking water contaminants. The Act also established programs to protect underground sources of drinking water from contamination.

EPA Wants You To Know:

The sources of drinking water; both tap water and bottled water; include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and may pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include:

- (i) Microbial contaminants, such as viruses and bacteria, that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- (ii) Inorganic contaminants, such as salts and metals, that may be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- (iii) Pesticides and herbicides, which may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses.
- (iv) Organic chemical contaminants, including synthetic and volatile organic chemicals, which are by-products of industrial processes and petroleum production, and may also come from gas stations, urban stormwater runoff, and septic systems.
- (v) Radioactive contaminants, which may be naturally-occurring or be the result of oil and gas production and mining activities.

To ensure that tap water is safe to drink, U.S. EPA prescribes regulations that limit the amount of certain contaminants in water provided by public water systems. U.S. FDA regulations establish limits for contaminants in bottled water that shall provide the same protection for public health.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects may be obtained by calling the Environmental Protection Agency's Safe Drinking Water Hotline at 800-426-4791.

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA/CDC guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline (800-426-4791).

If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. Utilities Services of South Carolina, Inc. is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at <http://www.epa.gov/safewater/lead>.

The Environmental Protection Agency requires monitoring of over 80 drinking water contaminants. Those contaminants listed in the tables below are the only contaminants detected in your drinking water.

Este informe contiene información muy importante sobre su agua beber. Tradúzcalo ó hable con alguien que lo entienda bien.



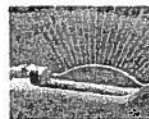
We ask that all our customers help us protect our water sources which are the heart of our community, our way of life and our children's future.

Something you should know!

In response to heightened security concerns around the nation's water supply, we have implemented additional security measures to ensure the safety of its systems and treatment centers. In addition to our secure facilities, we also use less hazardous raw chemicals during the treatment process.

FIX THAT LEAKY FAUCET OR TOILET!!!

Leaks can account for, on average, 10,000 gallons of water wasted in the home every year, which is enough to fill a backyard swimming pool!



With summer approaching...

To maintain a healthy lawn, water no more than every 3 to 5 days in the summer and 10 to 14 days in the winter.

To prevent water loss from evaporation, water your lawn in the early morning, late afternoon, or evening. Avoid watering when it is windy.

Use a broom, rather than a hose, to clean sidewalks and driveways.

If you have a swimming pool, cover it when it's not in use. You'll cut the loss of water through evaporation by 90 percent.

Understanding This Report:

In order to help you understand this report, we want you to understand a few terms and abbreviations that are contained in it.

- **Action level (AL)** - Action level is the concentration of a contaminant which, if exceeded, triggers treatment or other requirements that a water system must follow.
- **EPA** - Environmental Protection Agency
- **Maximum contaminant level (MCL)** - The maximum contaminant level is the highest level of a contaminant that is allowed in drinking water. MCL's are set as close to the MCLG's as feasible using the best available treatment technology.
- **Maximum contaminant level goal (MCLG)** - The "goal" is the level of a contaminant in drinking water below which there is no known or expected health risk. MCLG's allow for a margin of safety.
- **Maximum Residual Disinfectant Level (MRDL)** - The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.
- **Maximum Residual Disinfectant Level Goal (MRDLG)** - The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.
- **N/A** - This means not applicable for this item.
- **ND** - This means not detected and indicates that the substance was not found by laboratory analysis.
- **Parts per million (ppm) or milligrams per liter (mg/l)** - One part per million corresponds to one minute in two years or a single penny in \$10,000.
- **Parts per billion (ppb) or micrograms per liter (ug/L)** - One part per billion corresponds to one minute in 2,000 years or a single penny in \$10,000,000.
- **Picocuries per liter (pCi/L)** - Picocuries per liter is a measure of radioactivity in the water.
- **Running Annual Average (RAA)** - Calculated running annual average of all contaminant levels detected.
- **Treatment Technique (TT)** - A treatment technique is a required process intended to reduce the level of a contaminant in drinking water.

Utilities Services of South Carolina, Inc. routinely monitors your drinking water according to Federal and State laws. The table below lists the drinking water substances that we detected in the last round of sampling for the particular contaminant group. The presence of contaminants does not necessarily indicate that water poses a health risk. Based on certain criteria, some systems may be allowed to monitor for regulated contaminants less often than once a year. In this case, the table will include the date and results of the most recent sampling.

If You Have Questions Or Want To Get Involved?

Utilities Services of South Carolina, Inc. does not have regularly scheduled meetings. Please contact our Customer Service Department at (800) 272-1919 should you have any questions. We ask that all our customers help us protect our water sources which are the heart of our community, our way of life and our children's future.

Water Quality Test Results

TEST RESULTS								
Contaminant	Violation Y/N	Date Collected	Level Detected	Range of Detects or # of Samples Exceeding MCL/AL	Unit of Measurement	MCLG	MCL	Likely Source of Contamination
Inorganic Contaminants								
Copper (90th percentile)	N	2010	0.4	0	ppm	1.3	AL=1.3	Corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives.
Mercury (inorganic)	N	2011	0.4	ND-0.4	ppb	2	2	Erosion of natural deposits; discharge from refineries & factories; runoff from landfills; runoff from cropland.
Flouride	N	2011	0.22	0 - 0.22	ppm	4	4	Erosion of natural deposits. Water additive which promotes strong teeth. Descharge from fertilizer and aluminum factories.
Nitrate (as Nitrogen)	N	2012	1.6	0.037 - 1.6	ppm	10	10	Runoff from fertilizer use; leaching from septic tanks, sewage; erosion of natural deposits.
Cadmium	N	2011	0.11	0 - 0.11	ppb	5	5	Corrosion of galvanized pipes; erosion of natural deposits; discharge from metal refineries; runoff from waste batteries & paints.
Disinfection By-Products								
Chlorine	N	2012	RAA= 1.11	0.70- 1.30	ppm	MRDLG= 4	MRDL= 4	Water additive used to control microbes.
Radioactive Contaminants								
Combined Radium 226/228	N	2012	1.2	N/A	pCi/L	0	5	Erosion of natural deposits.
Volatile Organic Contaminants								
Toluene	N	2012	0.00166	0 - 0.00166	ppm	1	1000	Deischarge from petroleum factories.

Violations: In 2012, Utilities Services of South Carolina, Inc. performed all required monitoring for contaminants and did not exceed any allowable levels of these contaminants. In addition, we received no violations from the South Carolina Department of Health & Environmental Control and were in compliance with their applicable testing and reporting requirements.

Utilities Services of South Carolina, Inc.
Washington Heights
System ID# 4050013

Your Annual Water Report

We are pleased to provide you with the 2011 Water Quality Report. This report is designed to inform you of the quality of water we delivered to you over the past year. Our goal is to provide you a safe and dependable supply of drinking water.

Our water source is the groundwater from wells located in Richland County. The South Carolina Department of Health & Environmental Control (DHEC) has completed the Source Water Assessment Plan (SWAP) for Washington Heights. The relative susceptibility rating of each source was ranked as having high susceptibility. The rating is determined by identifying potential pollution sources near each well. It is important to understand that a susceptibility rate of "high" does not imply poor water quality, only the systems' potential to become contaminated by potential pollution sources in the assessment area. Our Source Water Assessment Plan is available for your review at <http://www.scdhec.gov/environment/water/srcwtrreports.htm>. If you do not have Internet access, please contact Mr. Mac Mitchell with Utilities Services of South Carolina, Inc. at (800) 272-1919 to make arrangements to review this document.



The Process of Delivering Your Water

Your water is disinfected through a chlorination process to ensure the water is microbiologically safe (free from bacteria, viruses, and protozoan parasites). It is important to note that all drinking water contains some naturally occurring contaminants that are not harmful to our health. In fact, some minerals provide low levels of nutritional value and actually improve the taste of drinking water. After the drinking water has been thoroughly treated at the water treatment facility, we deliver it to homes and businesses through an underground network of pipes.

Individual homes use service lines to tap into larger, underground water main lines. The water is then passed through a water meter—either inside or outside the home—so that the amount of water the household uses can be accurately calculated flow throughout your home.

Message From Lisa Sparrow, President and CEO

Dear USSC Customers,

We have made some exciting changes in the format of the Annual Water Report this year. The report will provide you with useful conservation tips, some 'good to know' facts about your water service, complete definitions of the key measures used to assess water quality as well as the critical data itself.

I am proud to share this report which is based on water quality testing through December 2011. You will find that we supply water that meets or exceeds all federal and state water quality regulations.

We are committed to providing safe, reliable and cost effective service to our customers; a safe, challenging and enjoyable work environment for our employees; and a fair return for our shareholders, all with the underlying commitment to act with integrity, protect the environment, and enhance the communities we serve.

The result of that commitment is a team of water quality experts who make it their job to see that our customers are our top priority and to provide you with the highest quality drinking water and service now and in the years to come.

Best regards,

Lisa Sparrow



Sign up for e-billing now at www.uiwater.com

The Safe Drinking Water Act was passed in 1974 due to congressional concerns about organic chemical contaminants in drinking water and the inefficient manner by which states supervised and monitored drinking water supplies. Congress' aim was to assure that all citizens served by public water systems would be provided high quality water. As a result, the EPA set enforceable standards for health-related drinking water contaminants. The Act also established programs to protect underground sources of drinking water from contamination.

EPA Wants You To Know:

The sources of drinking water; both tap water and bottled water; include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and may pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include:

- (i) Microbial contaminants, such as viruses and bacteria, that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- (ii) Inorganic contaminants, such as salts and metals, that may be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- (iii) Pesticides and herbicides, which may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses.
- (iv) Organic chemical contaminants, including synthetic and volatile organic chemicals, which are by-products of industrial processes and petroleum production, and may also come from gas stations, urban stormwater runoff, and septic systems.
- (v) Radioactive contaminants, which may be naturally-occurring or be the result of oil and gas production and mining activities.

To ensure that tap water is safe to drink, U.S. EPA prescribes regulations that limit the amount of certain contaminants in water provided by public water systems. U.S. FDA regulations establish limits for contaminants in bottled water that shall provide the same protection for public health.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects may be obtained by calling the Environmental Protection Agency's Safe Drinking Water Hotline at 800-426-4791.

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA/CDC guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline (800-426-4791).

If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. Utilities Services of South Carolina, Inc. is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at <http://www.epa.gov/safewater/lead>.

The Environmental Protection Agency requires monitoring of over 80 drinking water contaminants. Those contaminants listed in the tables below are the only contaminants detected in your drinking water.

Este informe contiene información muy importante sobre su agua beber. Tradúzcalo o hable con alguien que lo entienda bien.



We ask that all our customers help us protect our water sources which are the heart of our community, our way of life and our children's future.

Something you should know!

In response to heightened security concerns around the nation's water supply, we have implemented additional security measures to ensure the safety of its systems and treatment centers. In addition to our secure facilities, we also use less hazardous raw chemicals during the treatment process.

FIX THAT LEAKY FAUCET OR TOILET!!!

Leaks can account for, on average, 10,000 gallons of water wasted in the home every year, which is enough to fill a backyard swimming pool!

With summer approaching...



To maintain a healthy lawn, water no more than every 3 to 5 days in the summer and 10 to 14 days in the winter.

To prevent water loss from evaporation, water your lawn in the early morning, late afternoon, or evening. Avoid watering when it is windy.

Use a broom, rather than a hose, to clean sidewalks and driveways.

If you have a swimming pool, cover it when it's not in use. You'll cut the loss of water through evaporation by 90 percent.

Understanding This Report:

In order to help you understand this report, we want you to understand a few terms and abbreviations that are contained in it.

- **Action level (AL)** - Action level is the concentration of a contaminant which, if exceeded, triggers treatment or other requirements that a water system must follow.
- **EPA** - Environmental Protection Agency
- **Maximum contaminant level (MCL)** - The maximum contaminant level is the highest level of a contaminant that is allowed in drinking water. MCL's are set as close to the MCLG's as feasible using the best available treatment technology.
- **Maximum contaminant level goal (MCLG)** - The "goal" is the level of a contaminant in drinking water below which there is no known or expected health risk. MCLG's allow for a margin of safety.
- **Maximum Residual Disinfectant Level (MRDL)** - The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.
- **Maximum Residual Disinfectant Level Goal (MRDLG)** - The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.
- **N/A** - This means not applicable for this item.
- **ND** - This means not detected and indicates that the substance was not found by laboratory analysis.
- **Parts per million (ppm) or milligrams per liter (mg/L)** - One part per million corresponds to one minute in two years or a single penny in \$10,000.
- **Parts per billion (ppb) or micrograms per liter (ug/L)** - One part per billion corresponds to one minute in 2,000 years or a single penny in \$10,000,000.
- **Picocuries per liter (pCi/L)** - Picocuries per liter is a measure of radioactivity in the water.
- **Running Annual Average (RAA)** - Calculated running annual average of all contaminant levels detected.
- **Treatment Technique (TT)** - A treatment technique is a required process intended to reduce the level of a contaminant in drinking water.

Utilities Services of South Carolina, Inc. routinely monitors your drinking water according to Federal and State laws. The table below lists the drinking water substances that we detected in the last round of sampling for the particular contaminant group. The presence of contaminants does not necessarily indicate that water poses a health risk. Based on certain criteria, some systems may be allowed to monitor for regulated contaminants less often than once a year. In this case, the table will include the date and results of the most recent sampling.

If You Have Questions Or Want To Get Involved?

Utilities Services of South Carolina, Inc. does not have regularly scheduled meetings. Please contact our Customer Service Department at (800) 272-1919 should you have any questions. We ask that all our customers help us protect our water sources which are the heart of our community, our way of life and our children's future.

Water Quality Test Results

TEST RESULTS								
Contaminant	Violation Y/N	Date Collected	Level Detected	Range of Detects or # of Samples Exceeding MCL/AL	Unit of Measurement	MCLG	MCL	Likely Source of Contamination
Inorganic Contaminants								
Copper (90th percentile)	N	2010	0.4	0	ppm	1.3	AL=1.3	Corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives.
Mercury (Inorganic)	N	2011	0.4	ND-0.4	ppb	2	2	Erosion of natural deposits; discharge from refineries & factories; runoff from landfills; runoff from cropland.
Fluoride	N	2011	0.22	0 - 0.22	ppm	4	4	Erosion of natural deposits. Water additive which promotes strong teeth. Discharge from fertilizer and aluminum factories.
Nitrate (as Nitrogen)	N	2011	1	0.022 - 1	ppm	10	10	Runoff from fertilizer use; leaching from septic tanks, sewage; erosion of natural deposits.
Cadmium	N	2011	0.11	0 - 0.11	ppb	5	5	Corrosion of galvanized pipes; erosion of natural deposits; discharge from metal refineries; runoff from waste batteries & paints.
Disinfection By-Products								
Total Trihalomethanes	N	2010	1.25	0 - 1.25	ppb	NA	80	By-product of drinking water chlorination.
Haloacetic Acids (HAA)	N	2010	5.55	0 - 5.55	ppb	NA	60	By-product of drinking water chlorination.
Chlorine	N	2011	RAA= 1.00	0.80 - 1.20	ppm	MRDLG= 4	MRDL= 4	Water additive used to control microbes.
Radioactive Contaminants								
Combined Radium 226/228	N	2011	1	0-1.6	pCi/L	0	5	Erosion of natural deposits.
Gross Alpha excluding radon and uranium	N	2011	1	0-1.8	pCi/L	0	15	Erosion of natural deposits.
Uranium	N	2011	1	0-2.6	ug/L	0	30	Erosion of natural deposits.

Violations: In 2011, Utilities Services of South Carolina, Inc. performed all required monitoring for contaminants and did not exceed any allowable levels of these contaminants. In addition, we received no violations from the South Carolina Department of Health & Environmental Control and were in compliance with their applicable testing and reporting requirements.

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PSC SC
MAIL/DMS

EXHIBIT BG-3
Flushing Advisory

April 10, 2013

464 - Washington Heights
Columbia, SC
401131041113 Washington Heights 464_Flushing

This is a courtesy call from Utilities Services of South Carolina, Inc. your local water provider at 1-800-272-1919 - this number will be repeated at the end of this message.

This message is to inform you that we will be conducting routine flushing within your water system Thursday, April 11, 2013 beginning at approximately 9:00am and ending at approximately 4:00pm. During this time you may experience periods of lower than normal water pressure or possible cloudy water.

We would ask that you please refrain from using your water as much as possible during this time to reduce the possibility of drawing cloudy or discolored water into your service lines. Once the flushing is completed, normal water quality and pressure will be restored to your home. Should you experience any water quality issues following this work, please try flushing your cold water line for approx. 2-3 minutes. If this does not improve the quality, please contact us immediately.

This was a courtesy call from Utilities Services of South Carolina, Inc. We apologize for any inconvenience this may cause and appreciate your patience as we conduct routine maintenance to our water systems.

If this message was incomplete or should you have any questions or concerns, please contact our Customer Service Department at 1-800-272-1919, again that number is 1-800-272-1919.

Thank you

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NOV 22 2013

**PSC SC
MAIL / DMS**

EXHIBIT BG-4
Boil Water Advisory

May 11, 2011

464 - Washington Heights
Columbia, SC
401131051111

This is a courtesy call from Utilities Services of South Carolina, Inc. your local water provider to the customers in the Washington Heights subdivision. This message is to inform you that due to the severe weather last evening Tuesday, May 10, 2011 resulting in a power outage to the wells in your area; your water service may have been interrupted. The necessary steps to restore the power and your water service are currently underway and should be completed as soon as possible. Once they have been completed, normal water quality and pressure should be restored to your home.

As a precaution, we are issuing a boil water advisory until further notice. We ask that you please boil your water vigorously for at least 1 minute before drinking or cooking with it. A follow up message will be sent to you when this boil water advisory is lifted.

We apologize for any inconvenience, and should you have any questions or concerns, please contact our customer service department at 1-800-272-1919 again, that's 1-800-272-1919.

Thank you.

May 12, 2011

464 - Washington Heights
Columbia, SC
401131051111

This is a courtesy call from Utilities Services of South Carolina, Inc. your local water provider to the customers in the Washington Heights subdivision. Please be advised that effective today Thursday, May 12, 2011 we are lifting the boil water advisory that was issued Wednesday, May 11, 2011.

The water sample results from the laboratory confirm that your water continues to be safe and you no longer have to boil your water. Again, we are lifting the boil water advisory today Thursday, May 12, 2011.

We appreciate your patience and should you have any questions or concerns, please contact our customer service department at 1-800-272-1919, again that's 1-800-272-1919.

Thank you.

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PSC SC
MAIL/DMS

EXHIBIT BG-5
Lisa Lochbaum
Bill Frequency Report
CONFIDENTIAL

RECEIVED

2013 NOV 22 PM 3:35

SC PUBLIC SERVICE
COMMISSION

CERTIFICATE OF SERVICE


The undersigned, Scott Elliott, of Elliott & Elliott, P.A., does hereby certify that he has this date served the below-listed parties with a copy of the pleading(s) indicated below by electronically mailing a copy of same to each of the parties per the Stipulation of Electronic Service entered into by the parties on September 5, 2013:

Re: ***Application of Utility Services of South Carolina, Inc. for Adjustment of Rates and Charges and Modification of Certain Terms and Conditions for the Provision of Water and Sewer Service***
Docket No. 2013-201-WS

PARTIES SERVED: Jeffrey M. Nelson, Esquire
Florence P. Belser, Esquire
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29201

PLEADING: Testimony of Bob Gilroy

DATE: November 22, 2013



Scott Elliott, Esquire
Elliott & Elliott, P. A.
1508 Lady Street
Columbia, SC 29201
Tel.: (803) 771-0555

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